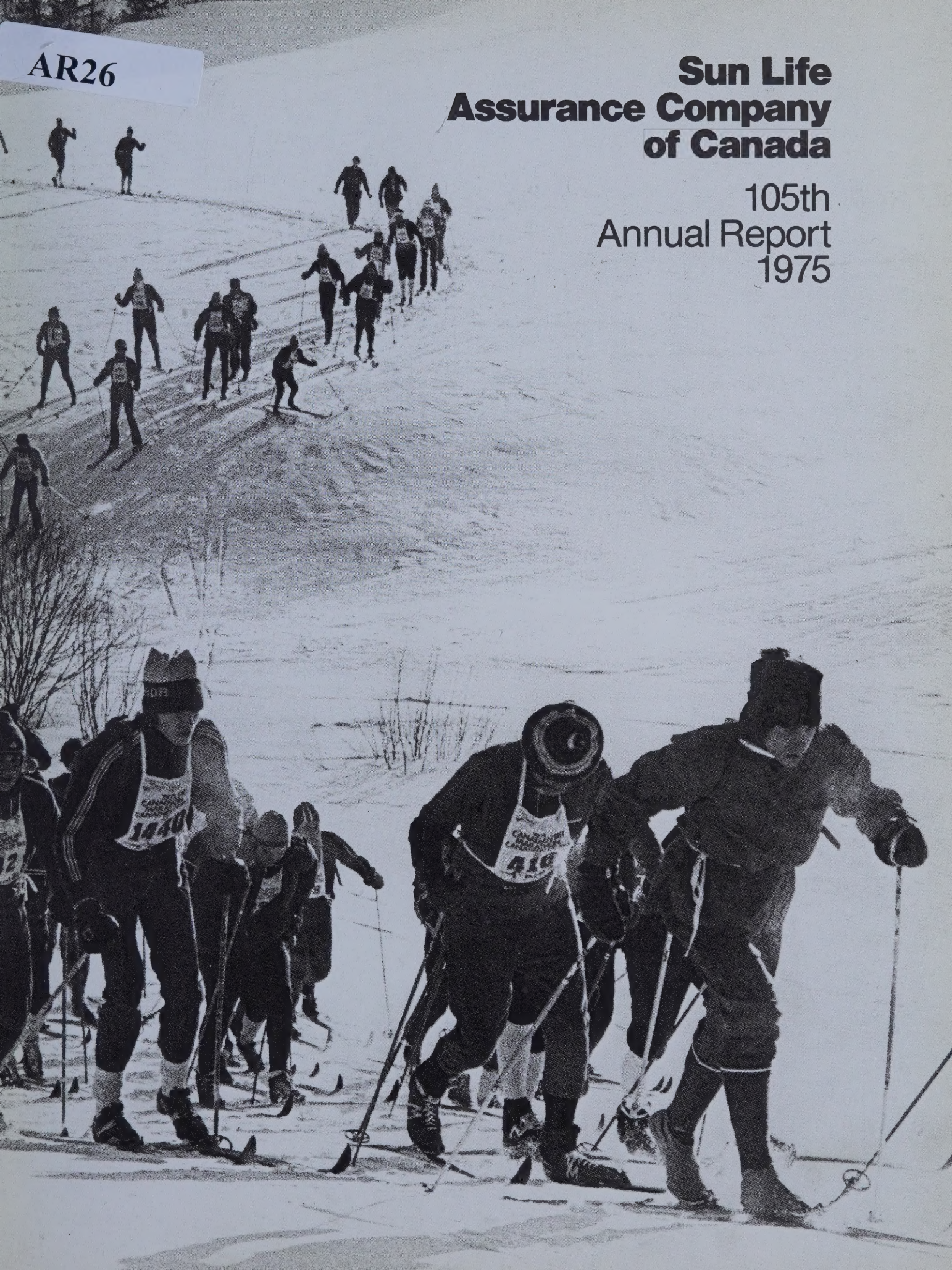


AR26

Sun Life Assurance Company of Canada

105th
Annual Report
1975

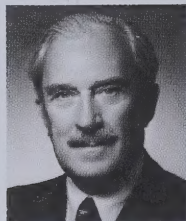




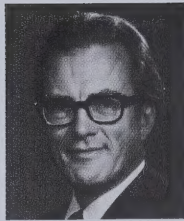
The cross-country skiers shown on the cover are participants in the Canadian Ski Marathon, an annual event held over a 100-mile trail between Montreal and Ottawa. It is one of the largest mass participation events of its kind in the world with over 3,000 skiers coming from all across Canada, the United States and Europe. Sun Life sponsors this Marathon as part of our support of health and fitness activities in Canada.

**Highlights
of 1975
Operations of Sun Life Assurance Company of Canada**

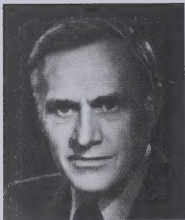
	1974	1975
Total Payments to Policyholders and Beneficiaries	\$ 394,083,000	\$ 420,723,000
Dividends to Policyholders	\$ 84,687,000	\$ 95,680,000
Assets, December 31st	\$ 4,329,866,000	\$ 4,699,301,000
Earned Interest Rate		
Gross	7.21%	7.42%
Total Income	\$ 851,780,000	\$ 1,012,538,000
New Life Insurance		
Individual	\$ 2,046,205,000	\$ 2,317,786,000
Group	1,105,237,000	1,387,488,000
Total	\$ 3,151,442,000	\$ 3,705,274,000
Life Insurance in Force, December 31st		
Individual	\$12,292,558,000	\$13,319,813,000
Group	13,292,058,000	15,178,522,000
Total	\$25,584,616,000	\$28,498,335,000



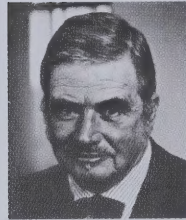
Alistair M. Campbell,
F.I.A., F.S.A.
Chairman



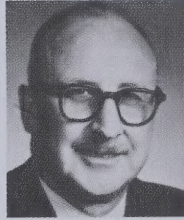
Thomas M. Galt,
F.S.A.
President



Claude Bertrand,
C.C., M.D.
Chief Emeritus,
Department of Neuro-
surgery, Hôpital
Notre-Dame, Montreal



Frank M. Covert,
O.B.E., D.F.C., Q.C.
Senior Partner,
Stewart, Mackeen &
Covert



H. Roy Crabtree, C.D.
Chairman and
President,
Wabasso Limited



Albert L. Fairley, Jr.
President,
Hollinger Mines
Limited



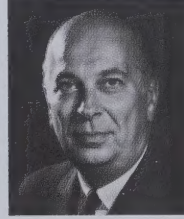
Jock K. Finlayson
Deputy Chairman
and Executive
Vice-President,
The Royal Bank of
Canada



J. Peter Gordon
President and Chief
Executive Officer,
The Steel Company
of Canada, Limited



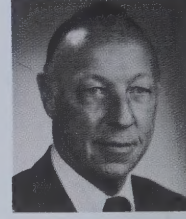
Eric L. Hamilton
Chairman and
Chief Executive
Officer,
Canadian Industries
Limited



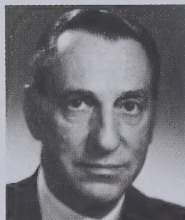
G. Arnold Hart,
M.B.E., LL.D.,
D.C.L., D.C.Sc.
Chairman of the
Executive Committee,
Bank of Montreal



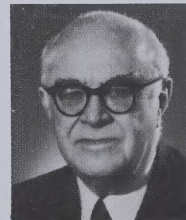
Louis Hébert, O.C.
Chairman of the
Board and Chief
Executive Officer,
Banque Cana-
dienne Nationale



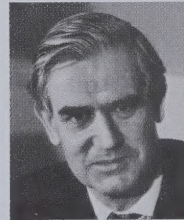
G. W. Humphrey
Chairman of the
Board, The Hanna
Mining Company



Howard J. Lang,
P.Eng.
Chairman and
Chief Executive
Officer, Canron
Limited



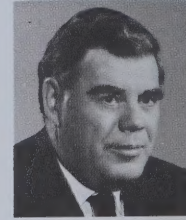
Herbert H. Lank
Director,
Du Pont of Canada
Limited



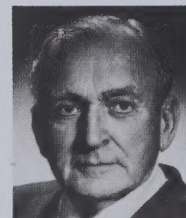
The Rt. Hon.
Lord Polwarth,
T.D., D.L.
Director,
Bank of Scotland



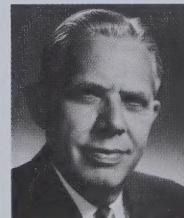
Alfred Powis
President and
Chief Executive
Officer,
Noranda Mines Ltd.



Ian D. Sinclair, Q.C.
Chairman and
Chief Executive
Officer,
Canadian Pacific
Limited



Hon. James Sinclair,
P.C.
Chairman,
Lafarge Canada Ltd.



J. Herbert Smith,
P.Eng., D.Sc.
Director,
Canadian Imperial
Bank of Commerce



John A. Tory, Q.C.
President,
The Thomson
Corporation Limited



Colin W. Webster
Vice-Chairman
of the Board,
Canadian Fuel
Marketers Ltd.

President's Address

Mr. Chairman, Ladies and Gentlemen:

I am pleased to present on behalf of the Directors, the 105th Annual Report of the Company. The past year was a successful one for the Company. The growth in our business was good and earnings were maintained despite difficult business conditions throughout the world.

New Business

A record \$3,705 million of new life insurance was put in force during the year, an increase of 18% over 1974. This included \$2,318 million on individual policies and \$1,387 million of group insurance.

New individual annuity and group pension contracts issued during the year showed a 21% increase over the previous year.

The key to providing more insurance protection to more individuals in the various countries in which we operate is the development of a larger and more highly trained sales force of full-time sales representatives. I am pleased to report that at the end of the year we had over 3,000 such representatives for the first time. Not only are the numbers increasing, but they are being provided with more training than ever before. This is very necessary as the life insurance market is much more complicated than it used to be.

During the year our sales increased in all our territories. In Canada and Great Britain new life insurance business was up by 24% in each case. In the United States our sales of individual policies were up 5% but group sales were down somewhat. The area showing the most rapid growth was our Philippines



Thomas M. Galt, President.

Branch. That branch showed an 84% increase in new business last year on top of a 64% increase the year before. I visited our Philippines Branch last September and was impressed. We have over 100 agents enthusiastically representing Sun Life throughout the Islands. I might mention that we were the first to introduce life insurance to the Philippines when we went there in 1895.

Business in Force

At the year end the Company's life insurance in force totalled \$28.5 billion, almost \$3 billion higher than at the end of 1974. This represents well over 4 million individual policies and group certificates. In addition the

Company's health insurance and long-term disability insurance policies in force covered more than 1 million policy and certificate holders for the first time. This latter business, which we commenced writing only in 1956, is continuing to expand rapidly. The large increase in our various types of business in force is an indication of good policy conservation, the quality of the plans which we offer and the calibre of our service. It is also an indication that our sales people are providing their clients with good advice in the planning of their insurance portfolios.

Assets

The assets of the Company increased by a record \$369 million during the year to total \$4.7 billion at the year end, after downward adjustments in asset values arising from a change in the rates of exchange used in converting sterling and some other currencies to Canadian dollars.

For the 27th consecutive year the rate of return on assets from interest, dividends and rents showed an increase. In 1975 the gross rate of return on life branch assets was 7.42%. This compares with 7.21% in 1974, and 3.30% 27 years ago.

During the year there was a considerable improvement in the investment markets of Canada, the United States, and Great Britain. The market values of our bonds and stocks increased substantially from the very low levels of a year ago. Nevertheless they remain at levels which are low compared to previous years, reflecting the high level of interest rates associated with inflationary conditions. For this reason, and in view of the economic uncertainties that are still with us, your Directors have increased the reserve for fluctuation in security values by \$21 million, of which \$12 million came from the

earnings of the year and \$9 million from contingency reserves. This investment reserve at \$155 million is in excess of the amount by which the book values of bonds and stocks as shown in the financial statements exceed their market values. For certain government bonds, market values are taken at their amortized values as permitted by the Canadian insurance law. The quality of the Company's investment portfolio is excellent. We continue to carry an increased degree of liquidity in response to continuing uncertainties on the financial scene. At the year end we had forward investment commitments amounting to \$142 million at 10.85% for payout during this year and next.

Most of the year's increase in our assets took place in bonds where very favourable opportunities were available during the year. As a result of these investments, capital was made available for many productive undertakings. We also placed considerable emphasis on the development of attractive property investment opportunities and our real estate held for investment increased by \$38 million.

Sun Life has made major investments in housing over the years in its principal operating countries. In Canada, our new mortgage commitments on single family dwellings were increased sharply in 1975. This represented a positive contribution to the provision of housing finance, and coincided with recent governmental requests that financial institutions raise the volume of their residential lending. At the end of 1975, one-half of our Canadian life branch mortgage portfolio of \$675 million was residential. In addition, we have over the years made substantial real estate investments in the residential field and presently provide, on a rental basis, over 4,000 apartment units and townhouses.



In June 1975 the Board of Directors held its regular monthly meeting at the United States Headquarters Office. Alistair M. Campbell, Chairman (r) is shown in conversation with George L. Meltzer, Senior Vice-President and General Manager for the United States (l), and G. W. Humphrey, Chairman of the Board, Hanna Mining Company, Cleveland, Ohio, a director of the Sun Life since 1966.

Income, Expenditures and Earnings

Total Company income for the year exceeded \$1 billion for the first time, showing an increase of \$161 million over 1974. Of this income, \$530 million was in premiums received from policy-

holders, a 16% increase over 1974.

Payments to policyholders and beneficiaries amounted to \$420 million. Dividends to policyholders reached \$95 million and you will note that provision has been made in the liabilities for dividend payments of over \$100 million in 1976. The dividend scales will continue unchanged for all major plans in all

territories.

Operating expenses increased 15% during the year to \$135 million. This is a large increase but, considering the rates of inflation that prevailed during the year and the increase in our business, it represents a continued improvement in productivity.

The Company's earnings for the year from insurance operations increased by \$10 million to \$127 million. After deduction for policyholder dividends the balance of earnings together with the net gain from the sale



George F. S. Clarke, Executive Vice-President (l) reviews Company budgets with François Vachon, Comptroller.

of investments has been applied to increase the reserve for fluctuation in security values and surplus.

Other Highlights

In addition to the Company's financial achievements in 1975, there were other important highlights I would like to mention.

Several new policy plans were introduced to meet the different market requirements of our countries of operation. For instance, in Canada a Flexible Premium Retirement Annuity plan was introduced. This plan permits the holder to contribute different amounts each year according to his requirements without committing himself as to future premiums. In the United States a Pension Series Retirement Endowment plan was introduced for the tax-qualified market. In Britain a Build Up Endowment Assurance plan has been specifically designed for the homeowner market to provide mortgage loan redemption at death or maturity.

Another development during the year was the decision to form an investment management subsidiary company in Canada.

This company, Sun Life of Canada Investment Management Limited, will provide investment management services in Canada for organizations which seek pension fund investment management without the use of an insurance policy as a vehicle.

During the year we established a rehabilitation program in Canada related to our long term disability business that should have far-reaching results. Under this program, a team of specialists from our Claims Department assist disabled policy and group certificate holders to resume productive roles in society by returning to gainful employment despite their impairments.

A number of changes were made in computer and systems areas for the purpose of improving overall administrative efficiency. The Company is replacing its two IBM Model 158 computers with a Model 168 which will



Mr. Galt visited the Philippines during 1975 and spent a number of days with members of our organization there. During his stay he presented to our representative, Elizabeth Chang Huang, the Independence Cup. The cup is awarded to the winner of a Sun Life production contest held annually in celebration of the Independence of the Philippines in 1946.

add considerably to computer capacity to meet the increasing demands of our business.

Another important development is our participation as a sponsor in the 1976 Summer Olympics to be held in Montreal. The Company is arranging to finance the purchase of equipment for the physiotherapy clinic located in the Olympic Village. This equipment is to be turned over to the Company at the conclusion of the Games and it is our intention that most of it be donated, over succeeding months, to selected rehabilitation clinics across Canada.

Staff and Agents

I would like to pay tribute to the men and women throughout our organization who contributed to the results I have reported. The Company's accomplishments are their accomplishments and I thank them for their hard work and splendid effort in complex and difficult times.

The times continue to call for great effort and talent by the business community. I feel sure Sun Life people will respond to the challenges with the same vigour and enthus-

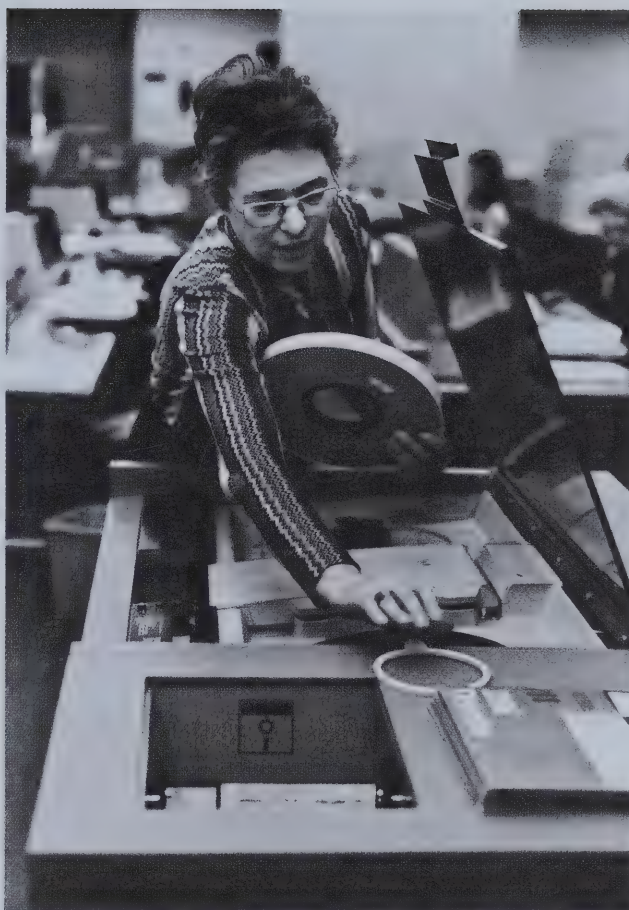


iasm they have shown in the past so that 1976 will be another year of achievement for our Company.

Economic Outlook

The economic outlook for the countries in which we operate has undoubtedly improved since this time last year. The Canadian and United States economies have been experiencing a moderate recovery since mid-1975. The rate of inflation improved considerably in the United States and slightly in Canada. The outlook for 1976 is for a continued gradual recovery in both countries. In Britain, unemployment is still increasing and the recession has not yet ended. However, there are some encouraging signs there. The rate of inflation has shown a considerable reduction in recent months. The government has finally adopted a policy of giving priority to enabling business to make enough profit to provide for reinvestment in capital plant. This is a long overdue recognition of an essential fact which applies equally to other industrial countries. The North Sea oil and gas are now making an important contribution to Britain's energy needs, and as production increases this will have a favourable effect on the country's adverse balance of payments position. Finally, the recovery in the United States will undoubtedly benefit the British and other economies. I would therefore expect that

In recognition of the Bicentennial of the founding of the United States, the Company contributed to the development of a model showing the Battle of Bunker Hill fought on June 17, 1775. The model, built by the Military Collectors of New England, a group of hobbyists, has been placed for permanent exhibit at Bunker Hill Monument in Charlestown, Mass. The nearly 5,000 Colonial and British troops who participated in the battle are represented in miniature.



The Company installed new equipment in 1975 designed to increase efficiency in our organization. Among the changes, IBM 3742 Dual Data Stations and a Data Converter replaced key punch machines. Olga Sharp is shown removing a magnetic tape from the converter.

1976 will see the beginning of a slow recovery from the current recession in Britain.

Two years ago I devoted a good part of my remarks to the subject of inflation. Last year I expressed the hope that governments, in their concern for recession, would not lose sight of the fact that in the longer run inflation was still a very serious problem.

There now seems to be a much wider recognition of this long-term problem. It is also recognized that if the recovery in the United States and the rest of the developed countries proceeds too fast and turns into a boom

there is a serious danger of an increasing inflation in 1977 or 1978, which could well be at rates worse than those we saw in 1974.

Here in Canada, the launching of the government's anti-inflation program last October marked the beginning of a new period in Canadian economic affairs. It is a welcome development that the federal government has at last taken some action to combat inflation instead of attributing it almost entirely to external factors. Government inaction had led to ever increasing efforts by different groups in our society to protect themselves against inflation. As a result, mandatory prices and incomes controls were deemed to have become necessary by last October. Two years ago I warned that prices and incomes controls can only provide a limited breathing space, and soon, because of the distortions and rigidities which they introduce into markets, they aggravate rather than ameliorate inflationary conditions. The government recognized this in announcing its program as it contained four elements of which the prices and incomes controls were properly listed last. The first two elements were fiscal and monetary policies and government expenditure policies and those are vital to the success of the program.

Whenever prices and incomes controls are introduced, it is admitted at the outset that they are not a cure for inflation but only a way of buying a short time in which to apply the cures. Unfortunately this fact then seems to be quickly forgotten. The controls soon tend to be regarded as a substitute for other action.

It is to be hoped that this does not happen in the case of the Canadian program, but so far the indications are not good. Federal government expenditures are to expand at a 16% rate this year. This does not lead to confidence that the program will achieve its objective. As the government has rightly





observed, we in Canada will only be successful in reducing our inflation when all responsible elements in the country pull together in co-operation, sharing the burden of adjustment. Spending increases by government at a level of 16% are clearly not in line with either the spirit or the real requirements of the program. Spending increases at a considerably lower rate would be much more appropriate in terms of a real contribution to the lowering of inflation and, what is just as important, would help to create the necessary atmosphere of co-operation.

It is also disturbing that the program is to last three years and possibly longer. There is a serious danger that in that period the distortions and rigidities will indeed aggravate rather than ameliorate inflation. They will almost certainly reduce the efficiency and responsiveness of the economy.

One aspect of the controls that is particularly worrying is the extent to which they will inhibit saving and encourage consumption, thus operating in an inflationary way in the long run. The total freeze on dividends and the cut-back in allowable profits will inhibit saving and capital investment. Particularly questionable would seem to be the freeze on profits made in foreign countries. It is not at all clear how this aspect of the program can possibly contribute to the country's welfare.

Profits are vital to the encouragement of savings and the channelling of these savings into productive investment. They provide the savings needed for new plant and equipment and other costs of business expansion. In an inflationary environment, however, distortion of the profit picture seriously erodes corpo-

Sun Life has over 200 branch offices throughout its organization in Canada, the United States, Great Britain and other countries. This picture shows a meeting of some members of the Vancouver Central Branch, chaired by Donald E. Hart, Branch Manager, seated at the head of the table.



This photograph of the Company's British Review Committee shows, left to right: R. R. Kimpton, Policy Administration Officer; J. A. Brindle, Senior Vice-President and General Manager; S. J. Quirk, Actuary (chairman); L. O. Jones (Secretary); P. R. Isgar, Manager of Agencies; G. C. Plumbly, Systems and Services Officer. Absent is M. E. Bates, Treasurer. The Committee, constituted in November 1972, meets weekly to monitor the progress of British Division activities and to direct a number of sub-committees concerned with special projects.

rate saving ability. "False" profits arising from increased inventory values are subject to the full rate of corporate taxation, and depreciation charges based on original cost become inadequate for replacement purposes. The need for acceptance of inflation accounting and related tax treatment already accepted in other countries seems obvious.

A market economy allows the consumer to vote with his dollars and preserves for him the greatest freedom of economic choice. Some government interventions, such as

anti-trust legislation, which take forms which encourage more competition in the economy and improve the effectiveness of markets, are necessary of course. In recent years, however, many government policies have had an opposite effect. Competition has been lowered, some markets replaced by government pricing mechanisms or hampered in other ways, and economic incentives reduced.

The government makes much of the need for more government control to protect consumers from the supposedly growing size

and power of large corporations. Professor Galbraith, of Harvard, and others have built their criticisms of the market system of allocating goods and services on the argument that powerful trade unions, large multinational corporations and big business generally have brought about a lessening of competition to the point where many prices are no longer established through the reasonably free interplay of the forces of supply and demand.

This, in my view, does not accord with the facts. As many of the briefs to the Royal Commission on Corporate Concentration have explained, bigness of itself is not bad, nor is doing business internationally bad. In our business Canadian consumers have benefited from the fact that many Canadian life insurance companies do business in foreign countries and many foreign life insurance companies do business here. The Canadian Life Insurance Association's submission to the Royal Commission on Corporate Concentration clearly establishes that conditions in the life insurance business have been steadily becoming more competitive in recent years. It notes that the number of companies licensed to do business in Canada has doubled since 1950, now being 166, and the smaller companies are growing more quickly than the large companies.

In our business prices have been steadily falling for many years. In the case of many insurance and annuity plans, increasing interest rates have enabled premiums and net costs to be reduced. However, even in the case of term insurance rates, on which interest has a negligible effect, the premiums have been steadily falling. As an example from our Company, in Canada the annual premium for a 10 year term policy has been reduced six times since 1950.

The Economic Council of Canada in its twelfth annual review states, "Since 1970,

productivity gains have been slower in Canada than in the United States, with the result that our unit costs increased much more; indeed, in the 1970-74 period unit costs increased by about 5% per annum in Canada compared with less than 1% in the United States. . . . In the longer-term view, this weakening of our competitive position is cause for deep concern."

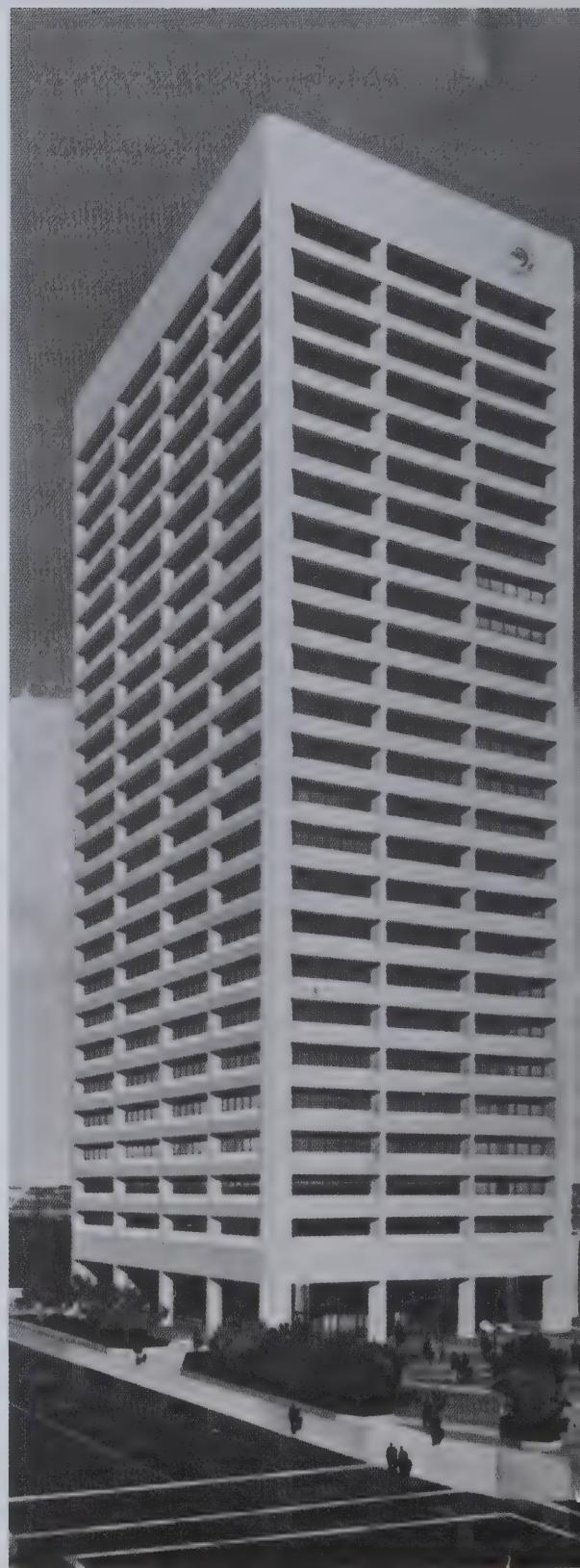
This worsening of our competitive position has resulted from the unrealistically high expectations fostered in the Canadian people by rapidly escalating government sector wages and salaries, rapidly escalating government transfer payments, and rapidly escalating minimum wages. The Canadian federal minimum wage will this year be 26% higher than that in the United States.

Prime Minister Trudeau, in a year-end television interview, was quoted as saying, "The way I view it is that we're going to use these three years of controls in order to get people to change and institutions to change . . ." It would have been much more encouraging if somewhere in his year-end interview and speech he had mentioned the vitally important first two elements of his attack on inflation. Those were the parts dealing with fiscal and monetary policies and control of government expenditures. Instead, he referred to changing the people and predicted that government is going to take a larger role in running institutions.

I join the Prime Minister in welcoming the debate about the future of Canada which his words produced. However, I was disappointed with his implication to the Canadian Clubs of Ottawa that excessive increases in the money supply, in federal spending, and in government interference in the market-place were phoney issues. I believe they are the key issues.

Alexander Solzhenitsyn was recently quoted as saying, "The Western world is now

The Company is a major investor in properties as well as securities. Two recent Sun Life property developments are pictured here. Below, is the model of a 25-storey apartment building in Hamilton which will contain 308 suites and parking for 250 cars. The building's facilities include party, hobby and game rooms, tennis court, heated indoor swimming pool, saunas and indoor squash courts. Right, is the model of an office building which is to be developed for Sun Life in downtown Edmonton. The 25-storey structure will have an exterior of beige precast concrete and solar bronze glass. The tower will contain approximately 270,000 square feet of rentable space. Situated on a landscaped plaza with ready access to the new underground rapid system now under construction, the building is scheduled for completion in the Autumn of 1977.



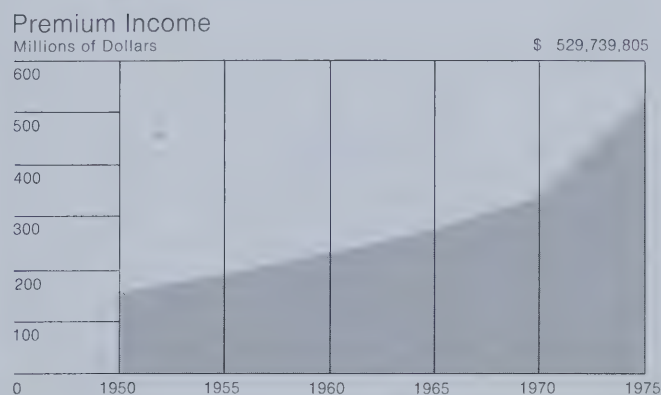
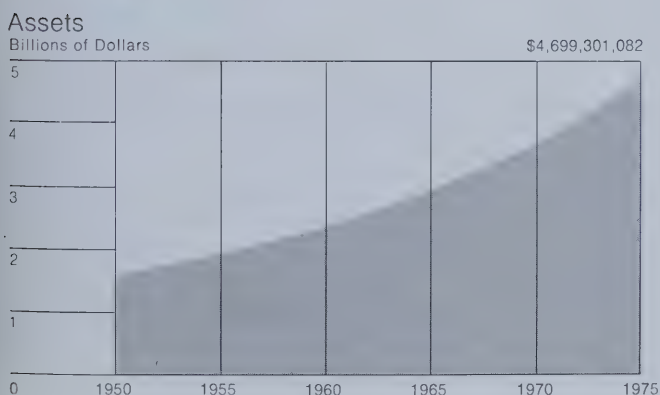
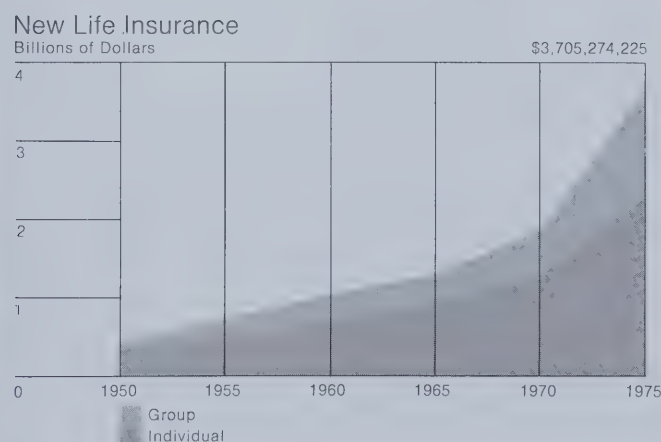
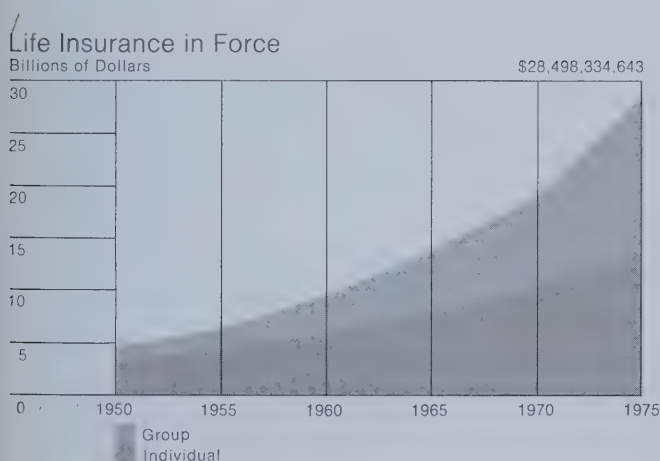
at a turning point. It is going to risk in the coming years the existence of the civilization that created it . . . Time has worn away your notion of freedom. You have kept the word and coined a new notion, a small freedom that is only the caricature of the big one, a freedom with neither obligation nor responsibility."

The furore which arose over the statement by the Prime Minister that we haven't been able to make the free market system work and therefore need more government controls may indicate that Mr. Solzhenitsyn's remarks do not apply to Canadians. I fervent-

ly hope that that is the case. The people of Canada must insist *not* on more government controls but on more responsible action by the government in the areas of fiscal and monetary policies and the control of their own expenditures. This is the only way in which Canada can succeed in the long-term battle against inflation while still retaining more than a "small freedom".

*Delivered at Montreal
February 10, 1976*

Sun Life growth



At the end of the year 1975		
We held assets		
Bonds		\$1,716,245,730
Stocks — Preferred		25,545,927
Stocks — Common		470,359,735
Mortgages		1,265,416,116
Real Estate — Company buildings		23,084,668
Real Estate — Held for investment		293,401,623
Loans to policyholders on their policies		277,554,182
Investment in subsidiary life insurance and other related companies		9,282,000
Outstanding premiums		29,122,531
Interest and rents due and accrued		60,798,190
Cash		15,096,897
Other assets		18,401,626
Variable accumulation and other segregated fund assets		494,991,857
		\$4,699,301,082
To meet liabilities		
Actuarial liabilities:		
Insurance — Life and health	\$2,040,713,625	
Annuities	976,166,902	\$3,016,880,527
Policy proceeds and other amounts left at interest		319,897,800
Reserves on Company pension plans		26,560,140
Policy benefits in process of payment and provision for unreported claims		124,250,550
Provision for dividends payable to policyholders during the ensuing year		100,079,991
Taxes and expenses due and accrued		9,841,171
Miscellaneous liabilities		47,144,832
Variable accumulation and other segregated fund policy liabilities		494,991,857
Reserve for fluctuation in security values		155,000,000
Surplus		404,654,214
		\$4,699,301,082

Note:

The securities are carried and shown in the financial statement at book values. The total book value of the bonds and stocks, after deduction of the reserve for fluctuation in security values, is less than the total of the market values prescribed by the insurance law of Canada.

During the year 1975		
We received		
Premiums for insurances — Life	\$378,645,374	
— Health	55,159,642	\$ 433,805,016
Premiums for annuities		95,934,789
Policy proceeds and other amounts left at interest		51,940,386
Interest, dividends and rents		291,768,239
Net gain from the sale and redemption of securities after adjustment of asset values		1,066,728
Variable accumulation and other segregated fund deposits and other income (including appreciation in assets of \$46,806,823)		138,023,119
		\$1,012,538,277
And distributed in		
Payments to policyholders and beneficiaries:		
Death benefits	\$108,710,532	
Disability benefits	3,251,638	
Matured endowments	33,371,251	
Annuity payments	37,954,326	
Dividends	95,679,546	
Surrender values	73,608,876	
Health insurance benefits	48,852,206	
Variable accumulation and other segregated fund payments	19,294,719	\$ 420,723,094
Payments of policy proceeds and other amounts previously left at interest		52,926,514
Additions to actuarial liabilities required for future payments to policyholders and beneficiaries		220,762,034
Variable accumulation and other segregated fund increase and expenses		118,728,400
Operating expenses including agency commissions		135,752,897
Government taxes		26,629,674
Addition to reserve for fluctuation in security values:		
from contingent valuation reserve		9,000,000
from current earnings		12,000,000
Increase in surplus		16,015,664
		\$1,012,538,277

Auditors' Report

The Directors,
Sun Life Assurance Company of Canada.

We have examined the statement of assets and liabilities of Sun Life Assurance Company of Canada as at December 31, 1975 and the statement of income and expenditure for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary. The Company's securities were verified by certificates obtained from depositaries or by personal inspection. We have relied on the certificate of the Company's Actuary as to the actuarial liabilities under insurance and annuity contracts.

In our opinion, based on the books of the Company, the explanations we received, and all other information available to us, including the aforementioned certificate prepared by the Company's Actuary, the attached statements of assets and liabilities and income and expenditure present fairly the financial position of the Company as at December 31, 1975 and the results of its operations during the year then ended on a basis consistent with that of the preceding year.

Montreal, Que., January 30, 1976.

(Signed) Touche Ross & Co.,
Chartered Accountants.

Canada

Barrie
Brandon
Calgary
Chicoutimi
Cornwall
Edmonton
Granby
Halifax
Hamilton
Kamloops
Kingston
Lethbridge
London
Moncton
Montreal
New Westminster
Ottawa
Quebec
Peterborough
Prince George
Regina
Rimouski
Rouyn
Saskatoon
Sept Iles
Sherbrooke
St. Catharines
St-Jerome
St. John's, Nfld.
Sudbury
Thunder Bay
Toronto
Trail
Trois-Rivieres
Vancouver
Victoria
Waterloo
Windsor
Winnipeg

United States

Atlanta
Baltimore
Boston
Cherry Hill
Chicago
Cleveland
Columbus
Dallas
Denver
Detroit
Grand Rapids
Hartford
Honolulu
Houston
Jacksonville
Kansas City
Los Angeles
Louisville
Miami
Nashville
Newark
New Haven
New Orleans
Orlando
Peoria
Philadelphia
Pittsburgh
Portland, Maine
Portland, Oregon
Sacramento
San Diego
San Francisco Bay Area
San Juan
Santa Ana
Seattle
Spokane
Springfield, Ma.
St. Louis
St. Paul
Tallahassee
Tampa/St. Petersburg
Washington
Wilmington

**Great Britain
and Ireland**

Aberdeen
Beckenham
Belfast
Birmingham
Brighton
Bristol
Bromley
Chester
Colchester
Croydon
Dublin
Edinburgh
Glasgow
Ipswich
Leeds
Leicester
Liverpool
London
Luton
Maidstone
Manchester
Newcastle
Northampton
Plymouth
Preston
Reading
Sheffield
Southampton
Valletta, Malta
Wolverhampton
York

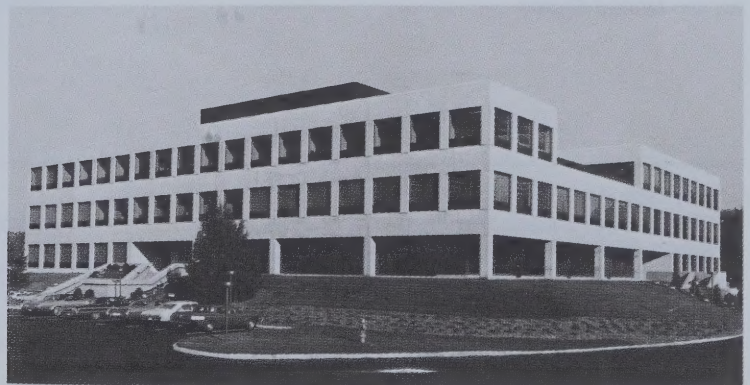
Bermuda

Philippines



Head Office, Montreal

*London Administrative Office,
London, England*



*United States Headquarters
Office, Wellesley Hills, Mass.*

Executive Officers

Thomas M. Galt, F.S.A.
President

George F. S. Clarke, F.S.A.
Executive Vice-President

J. T. Bradbury, F.L.M.I.
Vice-President, Administration

J. A. Brindle
Senior Vice-President and General Manager
for Great Britain and Ireland

J. J. Deschênes, F.S.A.
Actuary

H. R. Facey
Vice-President, Group

F. H. Frizzell
Vice-President and Chief Agency Officer

D. L. Gauer, F.S.A.
Actuarial Vice-President

S. J. Gowdy
Vice-President, Personnel

J. H. Harrison
Financial Vice-President,
Property Investments

W. A. Keltie, F.S.A.
Underwriting Vice-President

J. S. Lane, C.F.A.
Financial Vice-President,
Securities

P. R. MacGibbon
Vice-President and Secretary

W. J. McCarthy
Senior Vice-President, Finance

A. G. McCracken
Vice-President and General Counsel

G. L. Meltzer, C.L.U.
Senior Vice-President and General Manager
for the United States

O. A. Reed, F.S.A.
Actuarial Vice-President, Group

A. C. M. Robertson, F.F.A.
Senior Vice-President and Chief Actuary

F. F. Vachon, F.S.A.
Comptroller

D. H. Woodhouse, M.D.
Vice-President and Medical Director

Principal Officers for the United States

G. L. Meltzer, C.L.U.
Senior Vice-President and General Manager

H. R. Bentley, F.L.M.I.
Vice-President, Administration

J. R. Gardner, F.S.A.
Vice-President, Marketing

D. D. Horn
Vice-President and General Counsel

A. Parodos, F.S.A.
Vice-President and Actuary

D. B. Wray
Vice-President, Investments

Principal Officers for Great Britain and Ireland

J. A. Brindle
Senior Vice-President and General Manager

M. E. Bates
Treasurer

R. J. Fredericks
Legal Adviser and Secretary

P. R. Isgar
Manager of Agencies

S. J. Quirk
Actuary

Dr. S. Oram
Consulting Medical Officer

NOTICE OF ANNUAL MEETING

The Annual General Meeting of Sun Life Assurance Company of Canada is held at its Head Office in Montreal at half past two o'clock in the afternoon on the second Tuesday in February of each year. Policyholders are cordially invited to be present.

Every person who has contracted with the Company for

a participating policy, and who holds such a policy which is in force, is a member of the Company and is entitled to attend and to vote in person or by proxy at general meetings of the Company. Any policyholder who qualifies as a member may obtain a blank form of proxy on request therefor in writing to the Secretary of the Company.

